

1996

Final

1997

Preliminary

Business Failure Record

A comparative statistical analysis
of geographic and industry trends in
business failures in the United States



The Dun & Bradstreet Corporation

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Summary Analysis

The statistical information published in the *Business Failure Record* represents the most comprehensive data available on business failures—a key indicator of the health of American businesses. Dun & Bradstreet has maintained a statistical series on business failures since the 1920s. These data are not estimates; they represent complete tallies of business failures using the definition on page 19. This series was revised in 1984 adding the agricultural, financial and nonfinancial services sectors, thereby making comparisons between pre- and post-1984 data difficult.

The number of businesses that failed in 1997 increased from 71,931 in 1996 to 83,384 in 1997, an increase of 15.9 percent. Even with this modest increase, the failure rate (failures per 10,000 listed concerns) remained subdued at 88. In only five of the last 15 years has the failure rate been lower. The dollar amount of liabilities that had shown a downward trend since 1991 increased at 26.6 percent, but the level of liabilities is low in comparison with recent years. As seen on page 3, mid-range liability levels accounted for the largest number of these failures. More than half of businesses that failed in 1997 had liabilities between \$25,000 and \$1 million. The percentage of large failures (liabilities over \$1 million) continued to decline, reaching its lowest point since 1969.

The trend in recent years of declining business failures had been on a plateau for the last three years. The number of failures is now approaching the high levels reached in the recession of the early 1990s, but the economic impact is subdued since the liabilities remain at relatively low levels. Liabilities in 1997 are nowhere near peak levels.

Dun & Bradstreet monitors the number of business failures on a weekly basis and publishes this data in regular series of weekly, monthly and quarterly reports (see page 20). These reports represent one of the few statistical resources that track economic developments on a regional and industrial basis in the United States. Customized reports containing additional detail can be arranged for a fee by contacting the Economic Analysis Department.

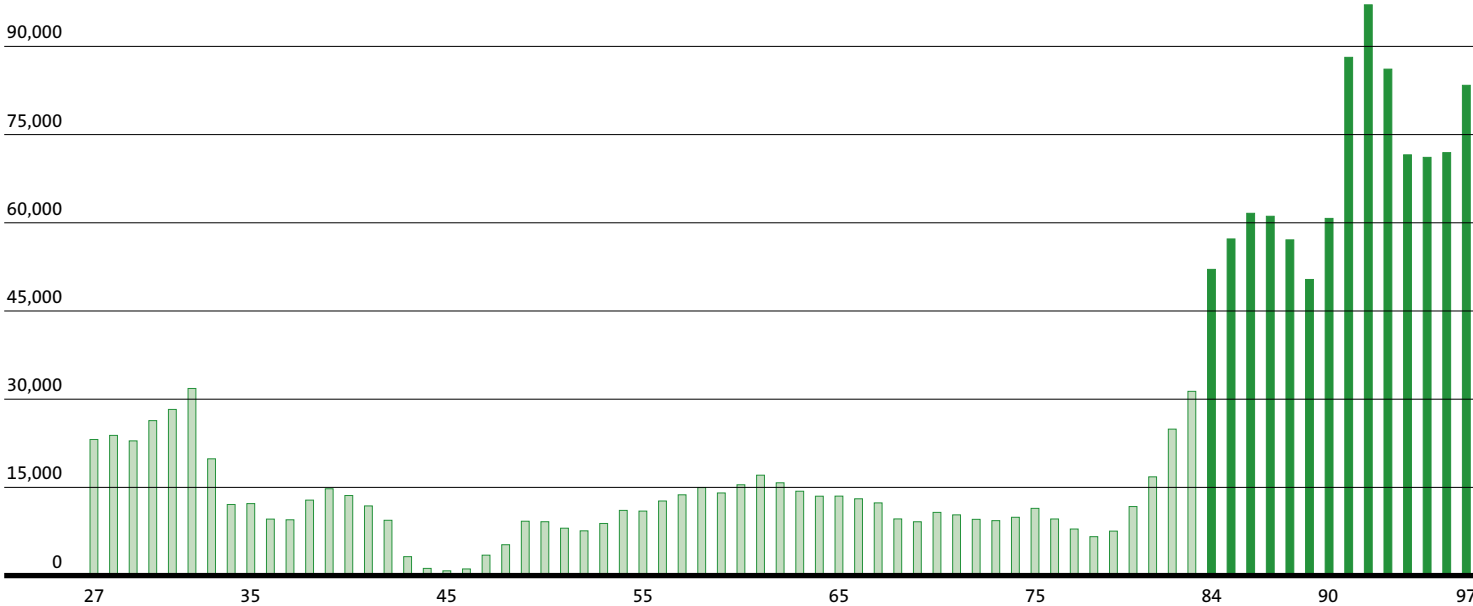
This issue contains final business failure data for 1996 and preliminary data for 1997. Final 1997 data will be available in the 1998 Dun & Bradstreet *Business Failure Record*. Revisions between preliminary and final data as regards numbers of failures are expected to be minor. Liability amounts are more volatile, since they are continually adjusted as court proceedings evolve. Dun & Bradstreet monitors the status of bankruptcy proceedings and considers liability figures to be firm after one year.

Failure Trends Since 1927

	Number of failures	Total failure liabilities	Failure rate per 10,000 listed concerns	Average liability per failure		Number of failures	Total failure liabilities	Failure rate per 10,000 listed concerns	Average liability per failure
1927	23,146	\$ 520,105,000	106	\$22,471	1962	15,782	\$ 1,213,601,000	61	\$ 76,898
1928	23,842	489,559,000	109	20,534	1963	14,374	1,352,593,000	56	94,100
1929	22,909	483,252,000	104	21,094	1964	13,501	1,329,223,000	53	98,454
1930	26,355	668,282,000	122	25,357	1965	13,514	1,321,666,000	53	97,800
1931	28,285	736,310,000	133	26,032	1966	13,061	1,385,659,000	52	106,091
1932	31,822	928,313,000	154	29,172	1967	12,364	1,265,227,000	49	102,332
1933	19,859	457,520,000	100	23,038	1968	9,636	940,996,000	39	97,654
1934	12,091	333,959,000	61	27,621	1969	9,154	1,142,113,000	37	124,767
1935	12,244	310,580,000	62	25,366	1970	10,748	1,887,754,000	44	175,638
1936	9,607	203,173,000	48	21,148	1971	10,326	1,916,929,000	42	185,641
1937	9,490	\$ 183,253,000	46	\$19,310	1972	9,566	\$ 2,000,244,000	38	\$ 209,099
1938	12,836	246,505,000	61	19,204	1973	9,345	2,298,606,000	36	245,972
1939	14,768	182,520,000	70	12,359	1974	9,915	3,053,137,000	38	307,931
1940	13,619	166,684,000	63	12,239	1975	11,432	4,380,170,000	43	383,150
1941	11,848	136,104,000	55	11,488	1976	9,628	3,011,271,000	35	312,762
1942	9,405	100,763,000	45	10,713	1977	7,919	3,095,317,000	28	390,872
1943	3,221	45,339,000	16	14,076	1978	6,619	2,656,006,000	24	401,270
1944	1,222	31,660,000	7	25,908	1979	7,564	2,667,362,000	28	352,639
1945	809	30,225,000	4	37,361	1980	11,742	4,635,080,000	42	394,744
1946	1,129	67,349,000	5	59,654	1981	16,794	6,955,180,000	61	414,147
1947	3,474	\$ 204,612,000	14	\$58,898	1982	24,908	\$15,610,792,000	88	\$ 626,738
1948	5,250	234,620,000	20	44,690	1983	31,334	16,072,860,000	110	512,953
1949	9,246	308,109,000	34	33,323	1984	52,078	29,268,646,871	107	562,016
1950	9,162	248,283,000	34	27,099	1985	57,253	36,937,369,478	115	645,160
1951	8,058	259,547,000	31	32,210	1986	61,616	44,723,991,601	120	725,850
1952	7,611	283,314,000	29	37,224	1987	61,111	34,723,831,429	102	568,209
1953	8,862	394,153,000	33	44,477	1988	57,097	39,573,030,341	98	693,084
1954	11,086	462,628,000	42	41,731	1989	50,361	42,328,790,375	65	840,507
1955	10,969	449,380,000	42	40,968	1990	60,747	56,130,073,898	74	923,996
1956	12,686	562,697,000	48	44,356	1991	88,140	96,825,314,741	107	1,098,539
1957	13,739	615,293,000	52	44,784	1992	97,069	94,317,500,288	110	971,653
1958	14,964	728,258,000	56	48,667	1993	86,133	47,755,514,259	109	554,438
1959	14,053	692,808,000	52	49,300	1994	71,558	28,977,866,378	86	404,956
1960	15,445	938,630,000	57	60,772	1995	71,128	37,283,550,627	82	524,175
1961	17,075	1,090,123,000	64	63,843	1996	71,931	29,568,731,719	80	411,071
					1997p	83,384	37,436,934,664	88	448,970

Due to a statistical revision, data prior to 1984 are not directly comparable with the new series.
p = preliminary

Number of Failures



Failure Distribution by Liability Size

	Liabilities Under \$5,000		Liabilities \$5,000 to \$25,000		Liabilities \$25,000 to \$100,000		Liabilities \$100,000 to \$1 Million		Liabilities Over \$1 Million	
	Number	%	Number	%	Number	%	Number	%	Number	%
1945	270	33.4%	343	42.4%	146	18.0%	45	5.6%	5	0.6%
1946	263	23.3%	488	43.2%	252	22.3%	119	10.6%	7	0.6%
1947	600	17.3%	1,661	47.8%	842	24.2%	350	10.1%	21	0.6%
1948	846	16.1%	2,799	53.3%	1,208	23.0%	374	7.1%	23	0.5%
1949	1,915	20.7%	4,646	50.3%	2,147	23.2%	520	5.6%	18	0.2%
1950	2,065	22.5%	4,706	51.4%	1,975	21.6%	407	4.4%	9	0.1%
1951	1,832	22.7%	4,160	51.6%	1,634	20.3%	412	5.1%	20	0.3%
1952	1,428	18.8%	3,884	51.0%	1,769	23.3%	512	6.7%	18	0.2%
1953	1,383	15.6%	4,317	48.7%	2,375	26.8%	748	8.5%	39	0.4%
1954	1,640	14.8%	5,640	50.9%	2,946	26.5%	829	7.5%	31	0.3%
1955	1,785	16.3%	5,412	49.3%	2,916	26.6%	820	7.5%	36	0.3%
1956	2,032	16.0%	6,152	48.4%	3,431	27.1%	1,022	8.1%	49	0.4%
1957	2,001	14.6%	6,699	48.8%	3,847	28.0%	1,147	8.3%	45	0.3%
1958	2,028	13.5%	7,015	46.9%	4,456	29.8%	1,408	9.4%	57	0.4%
1959	1,841	13.1%	6,664	47.4%	4,202	29.9%	1,284	9.1%	62	0.5%
1960	1,688	10.9%	6,884	44.6%	5,078	32.9%	1,703	11.0%	92	0.6%
1961	1,903	11.1%	7,378	43.2%	5,725	33.5%	1,973	11.6%	96	0.6%
1962	1,647	10.4%	6,700	42.5%	5,425	34.4%	1,876	11.9%	134	0.8%
1963	1,296	9.0%	5,781	40.2%	5,115	35.6%	2,031	14.1%	151	1.1%
1964	1,093	8.1%	5,202	38.5%	5,051	37.4%	2,003	14.9%	152	1.1%
1965	1,007	7.5%	5,067	37.5%	5,266	39.0%	2,005	14.8%	169	1.2%
1966	932	7.1%	4,569	35.0%	5,332	40.8%	2,042	15.7%	186	1.4%
1967	814	6.6%	4,434	35.9%	4,896	39.6%	2,045	16.5%	175	1.4%
1968	481	5.0%	3,332	34.6%	4,016	41.7%	1,686	17.5%	121	1.2%
1969	416	4.6%	3,000	32.8%	3,776	41.2%	1,807	19.7%	155	1.7%
1970	430	4.0%	3,197	29.7%	4,392	40.9%	2,450	22.8%	279	2.6%
1971	392	3.8%	2,806	27.2%	4,413	42.7%	2,423	23.5%	292	2.8%
1972	394	4.1%	2,497	26.1%	4,149	43.4%	2,236	23.4%	290	3.0%
1973	285	3.0%	2,434	26.1%	3,908	41.8%	2,375	25.4%	343	3.7%
1974	304	3.1%	2,150	21.7%	4,279	43.1%	2,755	27.8%	427	4.3%
1975	292	2.5%	2,226	19.5%	4,986	43.6%	3,459	30.3%	469	4.1%
1976	122	1.3%	1,750	18.2%	4,304	44.7%	3,029	31.4%	423	4.4%
1977	102	1.3%	1,283	16.2%	3,476	43.9%	2,708	34.2%	350	4.4%
1978	76	1.2%	928	14.0%	2,708	40.9%	2,593	39.2%	314	4.7%
1979	62	0.8%	954	12.6%	2,914	38.5%	3,216	42.5%	418	5.6%
1980	72	0.6%	1,243	10.6%	4,367	37.2%	5,417	46.1%	643	5.5%
1981	118	0.7%	1,862	11.1%	6,253	37.2%	7,648	45.6%	913	5.4%
1982	141	0.6%	2,789	11.2%	8,579	34.4%	11,737	47.1%	1,662	6.7%
1983	1,065	3.4%	4,167	13.3%	10,340	33.0%	13,851	44.2%	1,911	6.1%
1984	16,095	30.9%	5,489	10.5%	11,943	22.9%	15,723	30.2%	2,828	5.4%
1985	19,028	33.2%	5,287	9.2%	12,236	21.4%	17,359	30.3%	3,343	5.8%
1986	21,694	35.2%	4,579	7.4%	12,635	20.5%	19,013	30.9%	3,695	6.0%
1987	23,215	38.0%	4,185	6.8%	11,549	18.9%	18,593	30.4%	3,569	5.8%
1988	23,356	40.9%	4,259	7.5%	10,685	18.7%	15,659	27.4%	3,138	5.5%
1989	19,152	38.0%	3,707	7.4%	10,453	20.8%	14,245	28.3%	2,804	5.6%
1990	25,292	41.6%	3,881	6.4%	11,660	19.2%	16,368	26.9%	3,546	5.8%
1991	38,542	43.7%	5,930	6.7%	16,328	18.5%	22,654	25.7%	4,686	5.3%
1992	44,889	46.2%	6,428	6.6%	17,085	17.6%	24,329	25.1%	4,338	4.5%
1993	40,885	47.5%	5,594	6.5%	14,787	17.2%	21,481	24.9%	3,386	3.9%
1994	32,630	45.6%	4,967	6.9%	13,273	18.5%	18,254	25.5%	2,434	3.4%
1995	31,398	44.1%	4,472	6.3%	13,669	19.2%	19,353	27.2%	2,236	3.2%
1996	30,959	43.1%	4,171	5.8%	14,546	20.2%	20,495	28.5%	1,742	2.4%
1997p	34,041	40.8%	4,340	5.2%	17,669	21.2%	25,649	30.8%	1,685	2.0%

Due to a statistical revision, data prior to 1984 are not directly comparable with the new series.

p = preliminary

Business Failures by States and Regions Totals and Rates

	Number of failures			Failure rate per 10,000 listed concerns		10,000 listed concerns	Failure rate per Number of failures		
	1996	1997p	% Change	1996	1997p		1996	1997p	% Change
New England	3,064	3,445	12.4%	57	62				
Maine	299	395	32.1%	63	82				
New Hampshire	375	417	11.2%	77	80				
Vermont	108	148	37.0%	43	56				
Massachusetts	1,612	1,667	3.4%	69	69				
Connecticut	536	635	18.5%	37	43				
Rhode Island	134	183	36.6%	36	49				
Middle Atlantic	10,328	10,819	4.8%	76	77				
New York	4,946	5,054	2.2%	74	74				
New Jersey	2,460	2,641	7.4%	80	80				
Pennsylvania	2,922	3,124	6.9%	74	78				
East North Central	8,191	10,221	24.8%	59	72				
Ohio	2,280	2,823	23.8%	68	83				
Indiana	850	852	0.2%	49	48				
Illinois	2,568	3,407	32.7%	66	89				
Michigan	1,559	1,934	24.1%	50	57				
Wisconsin	934	1,205	29.0%	56	70				
West North Central	3,841	5,326	38.7%	58	78				
Minnesota	596	1,183	98.5%	36	65				
Iowa	458	506	10.5%	41	46				
Missouri	1,060	1,490	40.6%	60	85				
North Dakota	81	138	70.4%	32	53				
South Dakota	159	281	76.7%	57	95				
Nebraska	392	479	22.2%	63	75				
Kansas	1,095	1,249	14.1%	114	132				
South Atlantic	8,541	8,010	-6.2%	56	48				
Maryland	1,621	1,480	-8.7%	98	84				
Delaware	49	33	-32.7%	21	13				
District of Columbia	121	93	-23.1%	40	31				
Virginia	1,058	877	-17.1%	57	42				
West Virginia	300	319	6.3%	69	71				
North Carolina	1,038	1,031	-0.7%	48	43				
South Carolina	372	413	11.0%	35	35				
Georgia	1,306	1,181	-9.6%	59	48				
Florida	2,676	2,583	-3.5%	50	44				
East South Central	2,698	3,067	13.7%	59	61				
Kentucky	642	568	-11.5%	61	50				
Tennessee	1,331	1,717	29.0%	82	94				
Alabama	542	635	17.2%	46	50				
Mississippi	183	147	-19.7%	25	18				
West South Central	8,895	10,285	15.6%	91	100				
Arkansas	1,005	1,117	11.1%	124	134				
Oklahoma	1,560	1,546	-0.9%	139	137				
Louisiana	272	300	10.3%	21	21				
Texas	6,058	7,322	20.9%	93	107				
Mountain	5,381	7,152	32.9%	95	119				
Montana	179	189	5.6%	47	48				
Idaho	539	677	25.6%	118	140				
Wyoming	122	137	12.3%	58	61				
Colorado	2,254	3,082	36.7%	139	183				
New Mexico	423	645	52.5%	75	102				
Arizona	1,010	1,207	19.5%	77	89				
Utah	378	581	53.7%	61	85				
Nevada	476	634	33.2%	96	120				
Pacific	20,992	25,059	19.4%	138	159				
Alaska	184	177	-3.8%	80	71				
Hawaii	395	630	59.5%	115	173				
Washington	2,695	2,977	10.5%	131	126				
Oregon	839	1,186	41.4%	67	91				
California	16,879	20,089	19.0%	149	176				
Total United States	71,931	83,384	15.9%	80	88				

p = preliminary

Business Failures by 50 Largest Cities

	1996		1997p		% Change	
	Number	Liabilities	Number	Liabilities	Number	Liabilities
New York, NY*	2,058	\$5,122,904,817	1,748	\$1,422,578,750	-15.1%	-72.2%
Chicago, IL	600	117,694,182	810	4,937,445,447	35.0%	4,095.1%
Los Angeles, CA	1,176	903,764,999	1,112	387,384,996	-5.4%	-57.1%
Philadelphia, PA	457	875,923,088	545	693,568,509	19.3%	-20.8%
Houston, TX	953	435,933,030	887	339,376,695	-6.9%	-22.1%
Detroit, MI	140	78,594,105	133	14,277,097	-5.0%	-81.8%
Dallas, TX	510	583,254,813	566	236,219,714	11.0%	-59.5%
San Diego, CA	902	175,026,149	1,008	492,069,418	11.8%	181.1%
Phoenix, AZ	269	15,282,177	291	903,940	8.2%	-94.1%
Baltimore, MD	439	95,243,508	455	78,811,242	3.6%	-17.3%
San Antonio, TX	377	155,235,327	556	88,712,170	47.5%	-42.9%
Indianapolis, IN	198	279,278,391	125	27,747,769	-36.9%	-90.1%
San Francisco, CA	372	107,896,298	458	124,967,575	23.1%	15.8%
Memphis, TN	139	7,640,875	149	11,158,479	7.2%	46.0%
Washington, DC	121	59,210,818	93	1,537,678,416	-23.1%	2,497.0%
Milwaukee, WI	166	85,531,702	255	24,619,588	53.6%	-71.2%
San Jose, CA	338	70,072,839	385	132,454,324	13.9%	89.0%
Cleveland, OH	315	30,316,135	374	45,681,373	18.7%	50.7%
Columbus, OH	198	24,877,087	277	82,711,936	39.9%	232.5%
Boston, MA	140	23,607,379	139	16,827,320	-0.7%	-28.7%
New Orleans, LA	36	6,662,992	48	2,143,581	33.3%	-67.8%
Jacksonville, FL	89	853,946	118	461,059	32.6%	-46.0%
Seattle, WA	463	365,816,397	504	162,962,129	8.9%	-55.5%
Denver, CO	425	1,268,654,469	625	92,763,406	47.1%	-92.7%
Nashville, TN	146	92,008	216	3,762,898	47.9%	3,989.8%
St. Louis, MO	115	23,333,638	168	17,052,054	46.1%	-26.9%
Kansas City, MO	174	42,899,732	219	59,713,649	25.9%	39.2%
El Paso, TX	95	7,257,432	178	31,180,607	87.4%	329.6%
Atlanta, GA	273	59,432,209	230	33,427,572	-15.8%	-43.8%
Pittsburgh, PA	163	76,461,147	158	9,980,359	-3.1%	-86.9%
Oklahoma City, OK	356	212,651,302	253	27,003,280	-28.9%	-87.3%
Cincinnati, OH	174	109,792,351	225	44,078,735	29.3%	-59.9%
Fort Worth, TX	286	569,120,649	349	43,738,056	22.0%	-92.3%
Minneapolis, MN	135	92,165,167	310	11,006,288	129.6%	-88.1%
Portland, OR	124	24,632,116	200	80,459,855	61.3%	226.6%
Honolulu, HI	124	72,120,994	197	59,006,084	58.9%	-18.2%
Long Beach, CA	100	23,479,465	151	30,397,555	51.0%	29.5%
Tulsa, OK	205	365,363	268	8,478,362	30.7%	2,220.5%
Buffalo, NY	76	56,346,294	140	13,065,323	84.2%	-76.8%
Toledo, OH	50	10,385,864	46	9,277,372	-8.0%	-10.7%
Miami, FL	431	129,546,042	327	179,814,624	-24.1%	38.8%
Austin, TX	303	33,333,006	410	41,130,888	35.3%	23.4%
Oakland, CA	197	22,732,393	190	33,480,483	-3.6%	47.3%
Albuquerque, NM	164	14,298,305	214	24,732,983	30.5%	73.0%
Tucson, AZ	167	363,969	243	1,350,766	45.5%	271.1%
Newark, NJ	68	70,356,389	59	584,001	-13.2%	-99.2%
Charlotte, NC	163	22,510,039	160	12,522,956	-1.8%	-44.4%
Omaha, NE	98	5,763,235	92	11,403,645	-6.1%	97.9%
Louisville, KY	140	6,203,394	109	6,596,232	-22.1%	6.3%
Birmingham, AL	65	111,641,866	51	3,074,555	-21.5%	-97.2%
Total 50 Cities	15,273	\$12,686,559,892	16,824	\$11,749,844,115	10.2%	-7.4%
Balance of country	56,658	\$16,882,171,827	66,560	\$25,687,090,549	17.5%	52.2%
Total United States	71,931	\$29,568,731,719	83,384	\$37,436,934,664	15.9%	26.6%

Includes data for city limits, not metropolitan area.

p = preliminary

*All boroughs included.

Business Failures by Industry

	1996		1997p		% Change		Failure rate per 10,000 listed concerns	
	Number	Liabilities	Number	Liabilities	Number	Liabilities	1996	1997p
Agriculture, Forestry & Fishing								
Agricultural production-crops	840	\$ 177,446,636	757	\$ 131,198,413	-9.9%	-26.1%	112	100
Agricultural production-livestock	488	109,042,829	516	92,709,099	5.7%	-15.0%	140	134
Agricultural services	1,308	133,847,522	1,566	141,897,656	19.7%	6.0%	87	94
Forestry	31	5,918,638	32	1,398,728	3.2%	-76.4%	73	69
Fishing, hunting & trapping	56	10,397,441	74	89,567,339	32.1%	761.4%	255	273
Total Agriculture, Forestry & Fishing	2,723	\$436,653,066	2,945	\$456,771,235	8.2%	4.6%	102	102
Mining								
Metal mining	12	\$ 253,255	5	\$ 633,069	-58.3%	150.0%	128	55
Coal mining	54	22,220,692	41	40,563,484	-24.1%	82.5%	255	202
Oil & gas extraction	104	43,047,540	104	131,673,619	0.0%	205.9%	42	42
Nonmetallic mineral mining, except fuel	19	5,314,769	13	1,045,698	-31.6%	-80.3%	56	38
Total Mining	189	\$70,836,256	163	\$173,915,870	-13.8%	145.5%	60	52
Construction								
General building contractors	3,827	\$ 566,455,185	4,206	\$ 663,694,517	9.9%	17.2%	138	140
Heavy construction, except buildings	289	42,855,117	346	664,465,567	19.7%	1,450.5%	69	77
Special trade contractors	5,685	681,948,108	6,315	693,060,031	11.1%	1.6%	102	107
Total Construction	9,801	\$1,291,258,410	10,867	\$2,021,220,115	10.9%	56.5%	112	116
Manufacturing								
Food & kindred products	230	\$ 969,850,786	222	\$ 1,075,904,397	-3.5%	10.9%	93	87
Tobacco products	0	0	2	314,107	0.0%	0.0%	0	33
Textile mill products	126	355,570,149	127	235,258,233	0.8%	-33.8%	139	132
Apparel & other textile products	359	465,142,773	364	976,464,767	1.4%	109.9%	141	136
Lumber & wood products	375	72,970,228	394	133,085,832	5.1%	82.4%	107	106
Furniture & fixtures	184	30,923,569	163	50,393,060	-11.4%	63.0%	120	101
Paper & allied products	57	69,166,910	47	51,871,094	-17.5%	-25.0%	84	65
Printing & publishing	696	770,102,806	762	99,812,252	9.5%	-87.0%	69	73
Chemicals & allied products	123	164,205,782	116	282,620,011	-5.7%	72.1%	78	68
Petroleum & coal products	14	118,178,368	13	15,966,880	-7.1%	-86.5%	64	56
Rubber & misc. plastic products	156	64,119,039	114	52,820,267	-26.9%	-17.6%	98	69
Leather & leather products	32	14,963,602	32	4,798,092	0.0%	-67.9%	110	105
Stone, clay & glass products	106	13,328,009	118	12,061,358	11.3%	-9.5%	64	67
Primary metal industries	59	94,340,276	68	19,942,786	15.3%	-78.9%	71	80
Fabricated metal products	311	138,831,701	309	92,750,066	-0.6%	-33.2%	73	70
Industrial machinery & equipment	486	154,790,943	506	305,288,588	4.1%	97.2%	65	65
Electronic & other electric equipment	217	159,613,108	228	112,012,955	5.1%	-29.8%	88	87
Transportation equipment	154	435,135,169	137	65,596,685	-11.0%	-84.9%	109	91
Instruments & related products	92	51,500,469	117	23,449,633	27.2%	-54.5%	52	61
Misc. manufacturing industries	316	94,505,529	368	60,495,338	16.5%	-36.0%	74	78
Total Manufacturing	4,093	\$4,237,239,216	4,207	\$3,670,906,401	2.8%	-13.4%	83	80

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	1996		1997p		% Change		Failure rate per 10,000 listed concerns	
	Number	Liabilities	Number	Liabilities	Number	Liabilities	1996	1997p
Transportation & Public Utilities								
Railroad transportation	2	\$ 247,716	0	\$ 0	-100.0%	-100.0%	14	0
Local & interurban passenger transportation	333	80,905,031	356	61,721,048	6.9%	-23.7%	109	110
Trucking & warehousing	2,028	342,697,345	2,768	474,262,525	36.5%	38.4%	160	208
Water transportation	57	16,426,109	56	3,566,256	-1.8%	-78.3%	49	47
Air transportation	79	76,814,133	76	25,163,105	-3.8%	-67.2%	75	69
Pipelines, except natural gas	1	1,632,461	0	0	-100.0%	-100.0%	16	0
Transportation services	435	69,282,301	499	86,742,651	14.7%	25.2%	69	74
Communications	234	602,333,588	348	4,790,155,141	48.7%	695.3%	62	82
Electric, gas & sanitary services	193	507,182,487	242	4,673,319,529	25.4%	821.4%	61	75
Total Transportation & Public Utilities	3,362	\$1,697,521,171	4,345	\$10,114,930,255	29.2%	495.9%	107	130
Wholesale Trade								
Durable Goods								
Motor vehicles, parts & supplies	264	\$ 38,256,590	257	\$ 33,549,022	-2.7%	-12.3%	57	56
Furniture & home furnishings	171	85,739,640	145	88,046,285	-15.2%	2.7%	87	72
Lumber & construction materials	184	49,933,954	188	26,807,501	2.2%	-46.3%	70	71
Professional & commercial equipment	421	78,524,895	417	107,099,615	-1.0%	36.4%	80	77
Metals & minerals, except petroleum	58	15,066,534	34	44,208,371	-41.4%	193.4%	63	36
Electrical goods	254	89,743,776	226	62,725,250	-11.0%	-30.1%	61	54
Hardware, plumbing & heating equipment	131	44,552,707	123	12,793,941	-6.1%	-71.3%	56	53
Machinery, equipment & supplies	462	67,348,383	475	47,006,344	2.8%	-30.2%	48	49
Miscellaneous durable goods	314	51,359,100	375	827,091,876	19.4%	1,510.4%	57	62
Total Durable Goods	2,259	\$ 520,525,579	2,240	\$ 1,249,328,205	-0.8%	140.0%	61	59
Nondurable Goods								
Paper & paper products	81	\$ 6,057,752	87	\$ 13,030,592	7.4%	115.1%	52	55
Drugs, proprietaries & sundries	83	1,037,159,767	54	113,328,865	-34.9%	-89.1%	125	74
Apparel, piece goods & notions	306	141,897,181	252	38,291,226	-17.6%	-73.0%	118	97
Groceries & related products	463	238,803,095	475	182,425,827	2.6%	-23.6%	94	95
Farm-product raw materials	31	2,501,347	38	8,972,079	22.6%	258.7%	32	39
Chemicals & allied products	54	9,773,921	43	5,692,927	-20.4%	-41.8%	41	33
Petroleum & petroleum products	53	17,079,952	50	29,474,427	-5.7%	72.6%	41	40
Beer, wine & distilled beverages	19	21,647,881	17	10,677,172	-10.5%	-50.7%	42	38
Miscellaneous nondurable goods	608	349,537,444	618	212,080,901	1.6%	-39.3%	96	93
Total Nondurable Goods	1,698	\$1,824,458,340	1,634	\$ 613,974,016	-3.8%	-66.3%	84	80
Total Wholesale Trade	3,957	\$2,344,983,919	3,874	\$1,863,302,221	-2.1%	-20.5%	69	66

p = preliminary

	1996		1997p		% Change		Failure rate per 10,000 listed concerns	
	Number	Liabilities	Number	Liabilities	Number	Liabilities	1996	1997p
Retail Trade								
Building materials & garden supplies	541	\$ 311,799,779	544	\$ 61,386,159	0.6%	-80.3%	57	57
General merchandise stores	190	189,509,276	212	66,692,127	11.6%	-64.8%	77	80
Food stores	1,210	415,586,659	1,477	233,496,610	22.1%	-43.8%	61	73
Automotive dealers & service stations	1,061	172,979,289	1,222	416,404,401	15.2%	140.7%	49	56
Apparel & accessory stores	1,194	1,197,880,414	1,057	3,932,794,031	-11.5%	228.3%	92	80
Furniture & home furnishing stores	1,437	1,464,289,154	1,623	2,811,918,785	12.9%	92.0%	80	87
Eating & drinking places	3,901	550,268,532	4,311	674,863,912	10.5%	22.6%	92	100
Miscellaneous Retail Trade								
Drug & proprietary stores	118	\$ 32,637,520	86	\$ 5,385,122	-27.1%	-83.5%	44	33
Liquor stores	165	21,894,576	165	27,572,248	0.0%	25.9%	51	52
Used merchandise stores	239	23,670,760	338	33,732,951	41.4%	42.5%	36	47
Sporting goods & bicycle shops	433	162,116,636	411	64,565,231	-5.1%	-60.2%	86	79
Book stores	152	21,530,330	144	36,503,428	-5.3%	69.5%	86	77
Stationery stores	54	4,712,874	55	3,781,526	1.9%	-19.8%	57	58
Jewelry stores	193	110,197,501	199	39,488,879	3.1%	-64.2%	53	52
Hobby, toy & game shops	163	12,080,368	195	28,692,037	19.6%	137.5%	61	61
Camera & photographic supply stores	27	4,278,356	22	2,647,364	-18.5%	-38.1%	105	89
Gift, novelty & souvenir shops	547	91,898,049	724	92,024,065	32.4%	0.1%	69	84
Luggage & leather goods stores	12	12,251,800	16	4,083,401	33.3%	-66.7%	63	80
Sewing, needlework & piece goods	31	2,991,337	44	63,045,963	41.9%	2,007.6%	30	41
Nonstore retailers	604	130,446,603	931	129,755,904	54.1%	-0.5%	167	216
Fuel dealers	40	6,544,440	38	2,115,271	-5.0%	-67.7%	37	37
Other retail stores	1,164	120,888,116	1,221	171,390,824	4.9%	41.8%	63	64
Total Miscellaneous Retail Trade	3,942	\$ 758,139,266	4,589	\$ 704,784,214	16.4%	-7.0%	67	73
Total Retail Trade	13,476	\$5,060,452,369	15,035	\$8,902,340,239	11.6%	75.9%	72	78
Finance, Insurance & Real Estate								
Depository institutions	5	\$ 159,710,000	1	\$ 26,800,000	-80.0%	-83.2%	1	0
Nondepository institutions	347	176,075,970	463	456,640,923	33.4%	159.3%	72	85
Security & commodity brokers	143	120,428,221	182	68,235,249	27.3%	-43.3%	38	44
Insurance carriers	44	6,037,871	64	49,772,640	45.5%	724.3%	37	46
Insurance agents, brokers & service	585	96,822,290	704	155,809,503	20.3%	60.9%	33	40
Real estate	2,608	6,467,114,069	2,657	2,495,254,149	1.9%	-61.4%	66	67
Holding & other investment offices	406	555,485,228	515	328,867,038	26.8%	-40.8%	167	185
Total Finance, Insurance & Real Estate	4,138	\$7,581,673,649	4,586	\$3,581,379,502	10.8%	-52.8%	57	61

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	1996		1997p		% Change		Failure rate per 10,000 listed concerns	
	Number	Liabilities	Number	Liabilities	Number	Liabilities	1996	1997p
Services								
Hotels & other lodging places	233	\$ 170,210,921	261	\$ 54,733,055	12.0%	-67.8%	30	32
Personal Services								
Laundry, cleaning & garment services	570	\$ 146,134,162	692	\$ 76,112,838	21.4%	-47.9%	64	78
Photographic studios, portrait	173	15,671,941	203	18,706,081	17.3%	19.4%	61	70
Beauty shops	985	124,195,892	1,266	114,730,561	28.5%	-7.6%	44	54
Barber shops	112	8,335,332	142	11,420,531	26.8%	37.0%	32	40
Shoe repair & shoeshine parlors	39	3,552,112	43	2,721,581	10.3%	-23.4%	50	58
Funeral services & crematories	24	758,637	37	4,968,480	54.2%	554.9%	12	19
Miscellaneous personal services	657	79,331,738	859	84,129,206	30.7%	6.0%	91	109
Total Personal Services	2,560	\$377,979,814	3,242	\$312,789,278	26.6%	-17.2%	54	65
Business Services								
Advertising	274	\$ 101,967,731	264	\$ 35,194,975	-3.6%	-65.5%	76	69
Credit reporting & collection	63	5,987,860	57	4,765,484	-9.5%	-20.4%	71	63
Mail, reproduction & steno services	554	63,792,374	701	81,254,365	26.5%	27.4%	68	78
Services to buildings	1,263	101,599,332	1,522	147,981,557	20.5%	45.7%	166	177
Misc. equipment rental & leasing	190	29,827,450	205	87,407,676	7.9%	193.0%	58	61
Personnel supply services	238	23,097,761	289	42,813,426	21.4%	85.4%	65	72
Computer & data processing services	680	180,252,071	873	443,601,176	28.4%	146.1%	64	67
Miscellaneous business services	4,535	1,384,207,371	5,700	1,131,687,476	25.7%	-18.2%	180	206
Total Business Services	7,797	\$1,890,731,950	9,611	\$1,974,706,135	23.3%	4.4%	124	137
Miscellaneous Services								
Automotive repair, services & parking	2,063	\$ 229,540,882	2,523	\$ 254,853,988	22.3%	11.0%	68	80
Miscellaneous repair services	877	71,293,861	1,283	123,896,226	46.3%	73.8%	49	69
Motion pictures	404	49,780,576	505	74,844,018	25.0%	50.3%	72	86
Amusement & recreation services	985	202,095,372	1,197	169,047,491	21.5%	-16.4%	65	73
Health services	1,558	735,775,996	1,800	479,445,353	15.5%	-34.8%	27	32
Legal services	739	244,048,457	863	196,099,707	16.8%	-19.6%	31	36
Educational services	223	24,540,539	253	29,157,086	13.5%	18.8%	19	22
Social services	1,238	144,532,565	1,785	208,543,829	44.2%	44.3%	52	66
Museums, botanical & zoological gardens	17	3,400,063	14	1,911,188	-17.6%	-43.8%	20	15
Membership organizations	152	31,086,385	183	37,542,802	20.4%	20.8%	4	5
Engineering & architectural services	325	72,824,458	374	173,094,874	15.1%	137.7%	35	38
Accounting, auditing & bookkeeping	436	90,322,942	544	94,746,236	24.8%	4.9%	43	53
Research & testing services	129	16,137,145	137	252,241,335	6.2%	1,463.1%	45	44
Management & public relations	2,947	1,391,989,039	4,274	592,390,609	45.0%	-57.4%	151	187
Other services	245	35,853,970	510	37,498,700	108.2%	4.6%	128	220
Total Miscellaneous Services	12,338	\$ 3,343,222,250	16,245	\$ 2,725,313,442	31.7%	-18.5%	46	58
Total Services	22,928	\$ 5,782,144,935	29,359	\$ 5,067,541,910	28.0%	-12.4%	59	72
Total Public Administration	23	\$ 55,622,401	26	\$ 3,492,772	13.0%	-93.7%	—	—
Nonclassifiable establishments	7,241	\$ 1,010,346,327	7,977	\$ 1,581,134,144	10.2%	56.5%	—	—
Total United States	71,931	\$29,568,731,719	83,384	\$37,436,934,664	15.9%	26.6%	80	88

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Business Failures by Industry Sector by State and Region

	Agriculture, forestry & fishing	Mining	Construction	Manufacturing	Transportation & public utilities	Wholesale trade	Retail trade	Finance, insurance & real estate	Services	Unclassifiable establishments	Total
New England Region											
Maine											
1996	14	1	49	20	18	10	64	26	82	15	299
1997p	19	0	52	35	32	15	102	16	110	14	395
% change	35.7%	-100.0%	6.1%	75.0%	77.8%	50.0%	59.4%	-38.5%	34.1%	-6.7%	32.1%
New Hampshire											
1996	10	0	59	25	17	13	96	30	108	17	375
1997p	11	0	79	29	24	18	105	21	123	7	417
% change	10.0%	—	33.9%	16.0%	41.2%	38.5%	9.4%	-30.0%	13.9%	-58.8%	11.2%
Vermont											
1996	7	0	16	9	5	3	29	6	30	3	108
1997p	16	1	19	9	11	2	47	9	30	4	148
% change	128.6%	—	18.8%	0.0%	120.0%	-33.3%	62.1%	50.0%	0.0%	33.3%	37.0%
Massachusetts											
1996	46	0	284	86	71	81	359	120	526	39	1,612
1997p	37	0	330	83	74	68	338	93	620	24	1,667
% change	-19.6%	—	16.2%	-3.5%	4.2%	-16.0%	-5.8%	-22.5%	17.9%	-38.5%	3.4%
Connecticut											
1996	7	0	86	47	22	39	129	54	138	14	536
1997p	23	0	96	56	31	32	142	54	179	22	635
% change	228.6%	—	11.6%	19.1%	40.9%	-17.9%	10.1%	0.0%	29.7%	57.1%	18.5%
Rhode Island											
1996	3	0	22	18	2	6	36	7	38	2	134
1997p	3	0	32	21	7	12	42	11	50	5	183
% change	0.0%	—	45.5%	16.7%	250.0%	100.0%	16.7%	57.1%	31.6%	150.0%	36.6%
Total New England											
1996	87	1	516	205	135	152	713	243	922	90	3,064
1997p	109	1	608	233	179	147	776	204	1,112	76	3,445
% change	25.3%	0.0%	17.8%	13.7%	32.6%	-3.3%	8.8%	-16.0%	20.6%	-15.6%	12.4%

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	Agriculture, forestry & fishing	Mining	Construction	Manufacturing	Transportation & public utilities	Wholesale trade	Retail trade	Finance, insurance & real estate	Services	Unclassifiable establishments	Total
Middle Atlantic Region											
New York											
1996	72	2	576	426	239	499	1,276	425	1,019	412	4,946
1997p	111	3	642	404	253	395	1,220	338	1,180	508	5,054
% change	54.2%	50.0%	11.5%	-5.2%	5.9%	-20.8%	-4.4%	-20.5%	15.8%	23.3%	2.2%
New Jersey											
1996	31	1	371	162	138	191	519	119	611	317	2,460
1997p	50	2	398	174	185	182	570	116	667	297	2,641
% change	61.3%	100.0%	7.3%	7.4%	34.1%	-4.7%	9.8%	-2.5%	9.2%	-6.3%	7.4%
Pennsylvania											
1996	58	9	502	177	124	152	652	153	1,030	65	2,922
1997p	80	5	511	161	139	142	605	174	1,248	59	3,124
% change	37.9%	-44.4%	1.8%	-9.0%	12.1%	-6.6%	-7.2%	13.7%	21.2%	-9.2%	6.9%
Total Middle Atlantic											
1996	161	12	1,449	765	501	842	2,447	697	2,660	794	10,328
1997p	241	10	1,551	739	577	719	2,395	628	3,095	864	10,819
% change	49.7%	-16.7%	7.0%	-3.4%	15.2%	-14.6%	-2.1%	-9.9%	16.4%	8.8%	4.8%
East North Central Region											
Ohio											
1996	84	3	400	131	144	121	457	240	555	145	2,280
1997p	112	5	513	133	232	102	572	311	722	121	2,823
% change	33.3%	66.7%	28.3%	1.5%	61.1%	-15.7%	25.2%	29.6%	30.1%	-16.6%	23.8%
Indiana											
1996	24	3	107	74	47	44	187	31	308	25	850
1997p	27	1	134	59	42	42	163	45	319	20	852
% change	12.5%	-66.7%	25.2%	-20.3%	-10.6%	-4.5%	-12.8%	45.2%	3.6%	-20.0%	0.2%
Illinois											
1996	50	4	264	166	96	122	371	41	1,355	99	2,568
1997p	50	3	346	117	146	99	443	105	1,992	106	3,407
% change	0.0%	-25.0%	31.1%	-29.5%	52.1%	-18.9%	19.4%	156.1%	47.0%	7.1%	32.7%
Michigan											
1996	63	2	244	112	63	72	312	42	365	284	1,559
1997p	55	1	254	118	91	94	360	44	450	467	1,934
% change	-12.7%	-50.0%	4.1%	5.4%	44.4%	30.6%	15.4%	4.8%	23.3%	64.4%	24.1%
Wisconsin											
1996	111	0	134	65	50	31	190	33	214	106	934
1997p	92	1	162	56	86	30	251	43	433	51	1,205
% change	-17.1%	—	20.9%	-13.8%	72.0%	-3.2%	32.1%	30.3%	102.3%	-51.9%	29.0%
Total East North Central											
1996	332	12	1,149	548	400	390	1,517	387	2,797	659	8,191
1997p	336	11	1,409	483	597	367	1,789	548	3,916	765	10,221
% change	1.2%	-8.3%	22.6%	-11.9%	49.3%	-5.9%	17.9%	41.6%	40.0%	16.1%	24.8%

p = preliminary

	Agriculture, forestry & fishing	Mining	Construction	Manufacturing	Transportation & public utilities	Wholesale trade	Retail trade	Finance, insurance & real estate	Services	Unclassifiable establishments	Total
West North Central Region											
Minnesota											
1996	110	0	60	40	36	26	96	25	194	9	596
1997p	60	2	67	39	41	30	113	19	799	13	1,183
% change	-45.5%	—	11.7%	-2.5%	13.9%	15.4%	17.7%	-24.0%	311.9%	44.4%	98.5%
Iowa											
1996	43	0	61	12	15	14	82	5	70	156	458
1997p	64	0	61	19	43	20	92	9	86	112	506
% change	48.8%	—	0.0%	58.3%	186.7%	42.9%	12.2%	80.0%	22.9%	-28.2%	10.5%
Missouri											
1996	66	0	133	49	70	46	221	39	391	45	1,060
1997p	58	0	195	72	89	39	279	53	641	64	1,490
% change	-12.1%	—	46.6%	46.9%	27.1%	-15.2%	26.2%	35.9%	63.9%	42.2%	40.6%
North Dakota											
1996	41	0	6	0	7	1	10	0	15	1	81
1997p	55	0	5	0	12	3	16	0	45	2	138
% change	34.1%	—	-16.7%	—	71.4%	200.0%	60.0%	—	200.0%	100.0%	70.4%
South Dakota											
1996	40	0	16	2	7	1	25	2	62	4	159
1997p	45	0	34	3	18	5	41	4	126	5	281
% change	12.5%	—	112.5%	50.0%	157.1%	400.0%	64.0%	100.0%	103.2%	25.0%	76.7%
Nebraska											
1996	85	0	45	5	19	11	31	7	179	10	392
1997p	75	0	51	6	28	9	51	6	248	5	479
% change	-11.8%	—	13.3%	20.0%	47.4%	-18.2%	64.5%	-14.3%	38.5%	-50.0%	22.2%
Kansas											
1996	95	5	108	27	51	29	156	29	575	20	1,095
1997p	88	6	121	20	57	38	168	27	715	9	1,249
% change	-7.4%	20.0%	12.0%	-25.9%	11.8%	31.0%	7.7%	-6.9%	24.3%	-55.0%	14.1%
Total West North Central											
1996	480	5	429	135	205	128	621	107	1,486	245	3,841
1997p	445	8	534	159	288	144	760	118	2,660	210	5,326
% change	-7.3%	60.0%	24.5%	17.8%	40.5%	12.5%	22.4%	10.3%	79.0%	-14.3%	38.7%

p = preliminary

	Agriculture, forestry & fishing	Mining	Construction	Manufacturing	Transportation & public utilities	Wholesale trade	Retail trade	Finance, insurance & real estate	Services	Unclassifiable establishments	Total
South Atlantic Region											
Maryland											
1996	50	2	297	52	121	78	308	90	612	11	1,621
1997p	43	2	243	50	92	67	274	91	611	7	1,480
% change	-14.0%	0.0%	-18.2%	-3.8%	-24.0%	-14.1%	-11.0%	1.1%	-0.2%	-36.4%	-8.7%
Delaware											
1996	1	0	8	3	2	3	14	9	8	1	49
1997p	0	0	8	1	1	3	6	3	10	1	33
% change	-100.0%	—	0.0%	-66.7%	-50.0%	0.0%	-57.1%	-66.7%	25.0%	0.0%	-32.7%
District of Columbia											
1996	0	0	6	1	1	4	39	24	42	4	121
1997p	0	0	3	1	7	5	22	28	25	2	93
% change	—	—	-50.0%	0.0%	600.0%	25.0%	-43.6%	16.7%	-40.5%	-50.0%	-23.1%
Virginia											
1996	32	6	211	50	65	42	219	77	329	27	1,058
1997p	24	6	125	39	49	34	184	73	338	5	877
% change	-25.0%	0.0%	-40.8%	-22.0%	-24.6%	-19.0%	-16.0%	-5.2%	2.7%	-81.5%	-17.1%
West Virginia											
1996	9	12	57	25	22	10	65	10	81	9	300
1997p	7	9	54	24	30	16	85	10	81	3	319
% change	-22.2%	-25.0%	-5.3%	-4.0%	36.4%	60.0%	30.8%	0.0%	0.0%	-66.7%	6.3%
North Carolina											
1996	39	1	158	78	58	48	220	44	344	48	1,038
1997p	33	0	115	61	54	45	168	21	477	57	1,031
% change	-15.4%	-100.0%	-27.2%	-21.8%	-6.9%	-6.3%	-23.6%	-52.3%	38.7%	18.8%	-0.7%
South Carolina											
1996	12	0	41	34	17	24	87	8	140	9	372
1997p	11	0	33	29	18	14	84	7	197	20	413
% change	-8.3%	—	-19.5%	-14.7%	5.9%	-41.7%	-3.4%	-12.5%	40.7%	122.2%	11.0%
Georgia											
1996	44	1	201	109	86	91	241	78	434	21	1,306
1997p	34	1	206	96	77	72	240	65	378	12	1,181
% change	-22.7%	0.0%	2.5%	-11.9%	-10.5%	-20.9%	-0.4%	-16.7%	-12.9%	-42.9%	-9.6%
Florida											
1996	88	5	283	205	122	478	595	106	623	171	2,676
1997p	70	2	281	218	157	412	512	113	638	180	2,583
% change	-20.5%	-60.0%	-0.7%	6.3%	28.7%	-13.8%	-13.9%	6.6%	2.4%	5.3%	-3.5%
Total South Atlantic											
1996	275	27	1,262	557	494	778	1,788	446	2,613	301	8,541
1997p	222	20	1,068	519	485	668	1,575	411	2,755	287	8,010
% change	-19.3%	-25.9%	-15.4%	-6.8%	-1.8%	-14.1%	-11.9%	-7.8%	5.4%	-4.7%	-6.2%

p = preliminary

	Agriculture, forestry & fishing	Mining	Construction	Manufacturing	Transportation & public utilities	Wholesale trade	Retail trade	Finance, insurance & real estate	Services	Unclassifiable establishments	Total
East South Central Region											
Kentucky											
1996	16	22	119	39	52	44	157	25	149	19	642
1997p	16	10	90	35	55	26	136	76	107	17	568
% change	0.0%	-54.5%	-24.4%	-10.3%	5.8%	-40.9%	-13.4%	204.0%	-28.2%	-10.5%	-11.5%
Tennessee											
1996	70	0	344	41	102	43	226	51	428	26	1,331
1997p	69	2	447	64	134	47	293	45	513	103	1,717
% change	-1.4%	—	29.9%	56.1%	31.4%	9.3%	29.6%	-11.8%	19.9%	296.2%	29.0%
Alabama											
1996	9	4	43	39	26	25	85	13	288	10	542
1997p	8	3	38	41	22	25	78	17	394	9	635
% change	-11.1%	-25.0%	-11.6%	5.1%	-15.4%	0.0%	-8.2%	30.8%	36.8%	-10.0%	17.2%
Mississippi											
1996	13	0	25	20	14	10	30	5	58	8	183
1997p	10	2	17	9	16	10	35	0	45	3	147
% change	-23.1%	—	-32.0%	-55.0%	14.3%	0.0%	16.7%	-100.0%	-22.4%	-62.5%	-19.7%
Total East South Central											
1996	108	26	531	139	194	122	498	94	923	63	2,698
1997p	103	17	592	149	227	108	542	138	1,059	132	3,067
% change	-4.6%	-34.6%	11.5%	7.2%	17.0%	-11.5%	8.8%	46.8%	14.7%	109.5%	13.7%
West South Central Region											
Arkansas											
1996	52	7	250	37	81	36	150	23	346	23	1,005
1997p	52	0	244	65	106	28	170	38	402	12	1,117
% change	0.0%	-100.0%	-2.4%	75.7%	30.9%	-22.2%	13.3%	65.2%	16.2%	-47.8%	11.1%
Oklahoma											
1996	120	16	170	54	62	51	164	42	313	568	1,560
1997p	86	7	154	56	79	43	167	37	390	527	1,546
% change	-28.3%	-56.3%	-9.4%	3.7%	27.4%	-15.7%	1.8%	-11.9%	24.6%	-7.2%	-0.9%
Louisiana											
1996	5	4	26	12	18	16	48	17	114	12	272
1997p	14	2	33	14	18	16	51	8	141	3	300
% change	180.0%	-50.0%	26.9%	16.7%	0.0%	0.0%	6.3%	-52.9%	23.7%	-75.0%	10.3%
Texas											
1996	266	52	684	257	284	264	799	274	1,595	1,583	6,058
1997p	320	52	813	269	387	309	1,071	326	2,205	1,570	7,322
% change	20.3%	0.0%	18.9%	4.7%	36.3%	17.0%	34.0%	19.0%	38.2%	-0.8%	20.9%
Total West South Central											
1996	443	79	1,130	360	445	367	1,161	356	2,368	2,186	8,895
1997p	472	61	1,244	404	590	396	1,459	409	3,138	2,112	10,285
% change	6.5%	-22.8%	10.1%	12.2%	32.6%	7.9%	25.7%	14.9%	32.5%	-3.4%	15.6%

p = preliminary

	Agriculture, forestry & fishing	Mining	Construction	Manufacturing	Transportation & public utilities	Wholesale trade	Retail trade	Finance, insurance & real estate	Services	Unclassifiable establishments	Total
Mountain Region											
Montana											
1996	14	1	38	12	8	11	38	4	50	3	179
1997p	18	2	28	14	15	8	36	3	61	4	189
% change	28.6%	100.0%	-26.3%	16.7%	87.5%	-27.3%	-5.3%	-25.0%	22.0%	33.3%	5.6%
Idaho											
1996	39	0	85	15	22	19	77	17	140	125	539
1997p	42	0	85	26	31	21	107	16	173	176	677
% change	7.7%	—	0.0%	73.3%	40.9%	10.5%	39.0%	-5.9%	23.6%	40.8%	25.6%
Wyoming											
1996	4	1	12	3	3	2	24	2	17	54	122
1997p	4	2	17	3	6	2	35	1	26	41	137
% change	0.0%	100.0%	41.7%	0.0%	100.0%	0.0%	45.8%	-50.0%	52.9%	-24.1%	12.3%
Colorado											
1996	98	10	343	89	82	69	378	138	707	340	2,254
1997p	103	4	503	82	145	61	496	161	1,099	428	3,082
% change	5.1%	-60.0%	46.6%	-7.9%	76.8%	-11.6%	31.2%	16.7%	55.4%	25.9%	36.7%
New Mexico											
1996	10	4	50	13	13	16	81	12	114	110	423
1997p	22	4	78	25	28	15	141	15	180	137	645
% change	120.0%	0.0%	56.0%	92.3%	115.4%	-6.3%	74.1%	25.0%	57.9%	24.5%	52.5%
Arizona											
1996	13	2	100	56	36	38	149	27	205	384	1,010
1997p	25	2	107	50	44	34	140	35	202	568	1,207
% change	92.3%	0.0%	7.0%	-10.7%	22.2%	-10.5%	-6.0%	29.6%	-1.5%	47.9%	19.5%
Utah											
1996	11	0	65	32	16	19	51	10	74	100	378
1997p	13	3	74	38	36	23	78	34	109	173	581
% change	18.2%	—	13.8%	18.8%	125.0%	21.1%	52.9%	240.0%	47.3%	73.0%	53.7%
Nevada											
1996	14	2	57	23	18	33	93	24	185	27	476
1997p	14	2	75	42	27	26	125	38	261	24	634
% change	0.0%	0.0%	31.6%	82.6%	50.0%	-21.2%	34.4%	58.3%	41.1%	-11.1%	33.2%
Total Mountain											
1996	203	20	750	243	198	207	891	234	1,492	1,143	5,381
1997p	241	19	967	280	332	190	1,158	303	2,111	1,551	7,152
% change	18.7%	-5.0%	28.9%	15.2%	67.7%	-8.2%	30.0%	29.5%	41.5%	35.7%	32.9%

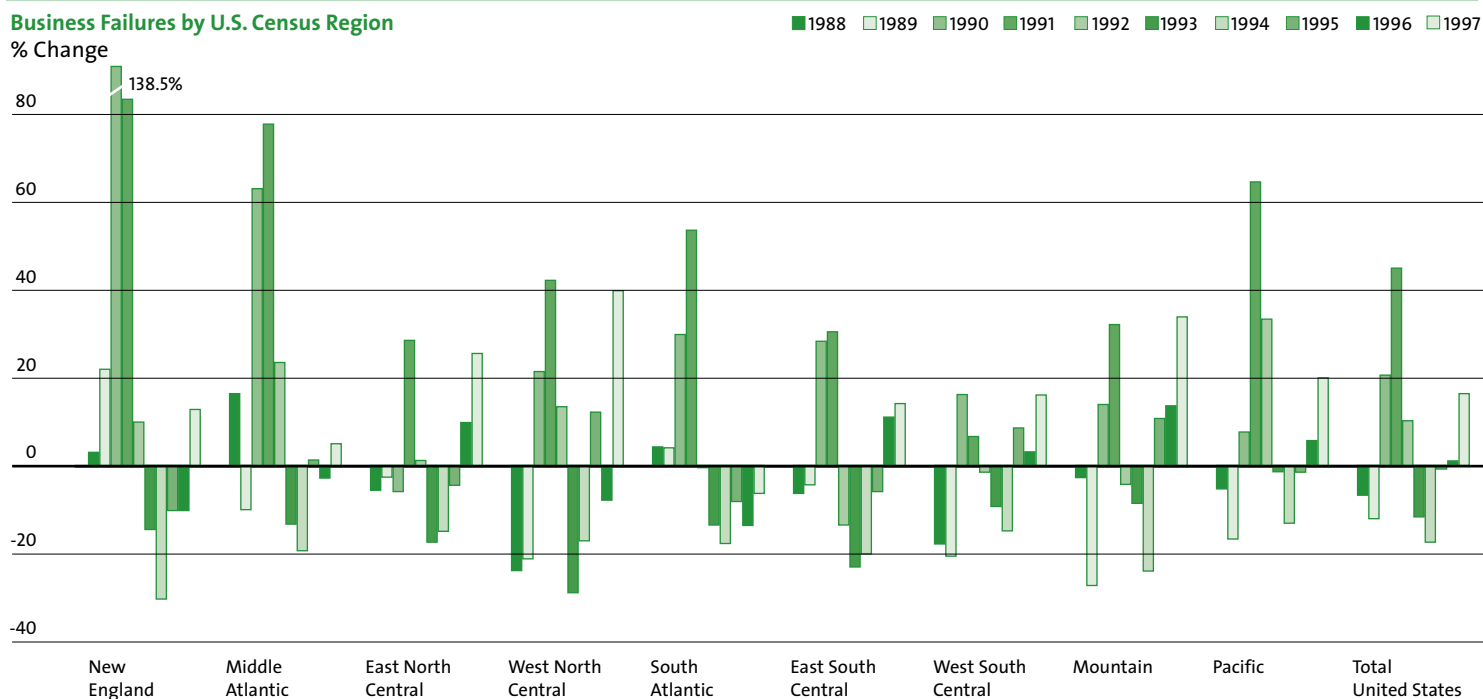
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	Agriculture, forestry & fishing	Mining	Construction	Manufacturing	Transportation & public utilities	Wholesale trade	Retail trade	Finance, insurance & real estate	Services	Unclassifiable establishments	Total
Pacific Region											
Alaska											
1996	4	1	17	10	8	1	37	4	97	5	184
1997p	8	2	20	6	9	3	32	5	89	3	177
% change	100.0%	100.0%	17.6%	-40.0%	12.5%	200.0%	-13.5%	25.0%	-8.2%	-40.0%	-3.8%
Hawaii											
1996	17	0	41	7	32	15	80	30	168	5	395
1997p	24	0	54	12	42	17	125	42	306	8	630
% change	41.2%	—	31.7%	71.4%	31.3%	13.3%	56.3%	40.0%	82.1%	60.0%	59.5%
Washington											
1996	118	0	450	167	98	129	522	148	1,023	40	2,695
1997p	136	0	411	167	145	142	561	182	1,193	40	2,977
% change	15.3%	—	-8.7%	0.0%	48.0%	10.1%	7.5%	23.0%	16.6%	0.0%	10.5%
Oregon											
1996	36	2	136	48	46	34	175	25	219	118	839
1997p	44	2	178	75	68	25	226	29	295	244	1,186
% change	22.2%	0.0%	30.9%	56.3%	47.8%	-26.5%	29.1%	16.0%	34.7%	106.8%	41.4%
California											
1996	459	4	1,941	909	606	792	3,026	1,367	6,160	1,615	16,879
1997p	564	12	2,231	981	806	948	3,637	1,569	7,630	1,711	20,089
% change	22.9%	200.0%	14.9%	7.9%	33.0%	19.7%	20.2%	14.8%	23.9%	5.9%	19.0%
Total Pacific											
1996	634	7	2,585	1,141	790	971	3,840	1,574	7,667	1,783	20,992
1997p	776	16	2,894	1,241	1,070	1,135	4,581	1,827	9,513	2,006	25,059
% change	22.4%	128.6%	12.0%	8.8%	35.4%	16.9%	19.3%	16.1%	24.1%	12.5%	19.4%
Total United States											
1996	2,723	189	9,801	4,093	3,362	3,957	13,476	4,138	22,928	7,264	71,931
1997p	2,945	163	10,867	4,207	4,345	3,874	15,035	4,586	29,359	8,003	83,384
% change	8.2%	-13.8%	10.9%	2.8%	29.2%	-2.1%	11.6%	10.8%	28.0%	10.2%	15.9%

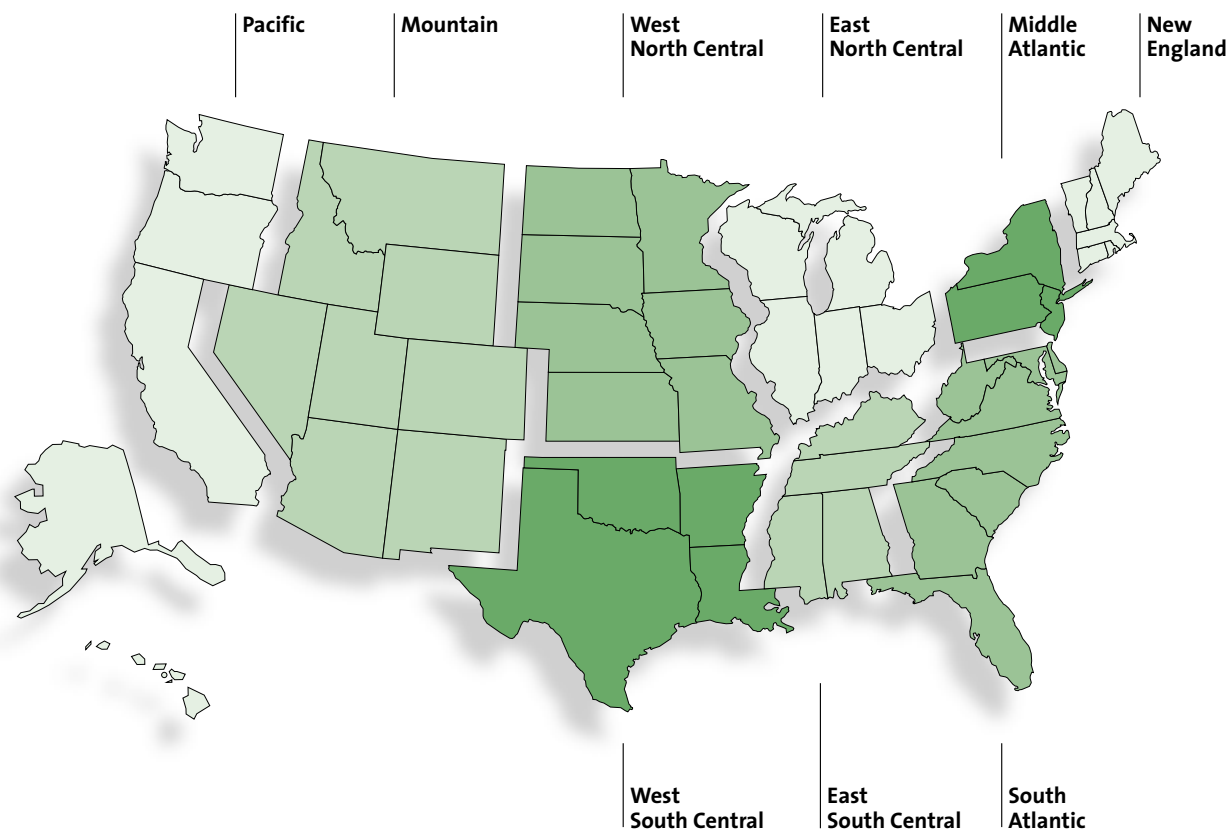
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Business Failures by U.S. Census Region

% Change



States and Regions



Failures by Age of Business by Industry

	Agriculture, forestry & fishing	Mining	Construction	Manufacturing	Transportation & public utilities	Wholesale trade	Retail trade	Finance, insurance & real estate	Service	Total
1996										
One year or less	8.7%	2.2%	6.3%	6.2%	9.0%	7.5%	11.6%	9.2%	12.1%	9.6%
Two years	6.1%	10.2%	5.3%	9.2%	8.8%	7.7%	10.5%	6.4%	9.3%	8.6%
Three years	4.8%	9.5%	6.5%	8.7%	10.5%	8.9%	9.8%	5.6%	8.1%	8.4%
Total Three Years or Less	19.6%	21.9%	18.1%	24.1%	28.3%	24.1%	31.9%	21.2%	29.5%	26.6%
Four years	4.5%	7.3%	6.9%	8.2%	8.6%	9.1%	8.6%	6.4%	7.9%	8.0%
Five years	4.5%	5.8%	6.9%	7.5%	8.1%	8.1%	7.1%	6.0%	7.3%	7.2%
Total Five Years or Less	28.6%	35.0%	31.9%	39.8%	45.0%	41.3%	47.6%	33.6%	44.7%	41.8%
Six years	6.0%	5.8%	6.4%	6.5%	6.2%	6.6%	6.2%	4.8%	6.5%	6.3%
Seven years	6.8%	2.9%	6.3%	5.9%	4.7%	5.0%	5.5%	6.1%	5.6%	5.6%
Eight years	3.6%	5.9%	5.6%	5.0%	4.7%	4.2%	4.4%	5.4%	4.7%	4.8%
Nine years	3.2%	7.3%	4.7%	4.0%	4.0%	4.1%	3.7%	5.0%	4.3%	4.2%
Ten years	4.7%	3.7%	5.0%	3.8%	4.0%	4.4%	3.4%	5.3%	3.7%	4.0%
Total Six to Ten Years	24.3%	25.6%	28.0%	25.2%	23.6%	24.3%	23.2%	26.6%	24.8%	24.9%
Over Ten years	47.1%	39.4%	40.1%	35.0%	31.4%	34.4%	29.2%	39.8%	30.5%	33.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

1997p										
One year or less	9.7%	8.8%	7.4%	7.7%	11.3%	7.4%	13.2%	10.1%	12.2%	10.7%
Two years	8.0%	6.2%	7.8%	8.1%	11.2%	8.9%	12.8%	7.3%	10.4%	10.1%
Three years	6.7%	6.1%	7.3%	8.9%	10.4%	8.1%	10.2%	6.0%	8.5%	8.7%
Total Three Years or Less	24.4%	21.1%	22.5%	24.7%	32.9%	24.4%	36.2%	23.4%	31.1%	29.5%
Four years	4.4%	7.9%	7.5%	7.8%	8.3%	8.7%	8.5%	6.5%	7.6%	7.8%
Five years	5.6%	3.5%	6.6%	7.9%	7.2%	7.6%	7.1%	5.9%	6.8%	7.0%
Total Five Years or Less	34.4%	32.5%	36.6%	40.4%	48.4%	40.7%	51.8%	35.8%	45.5%	44.3%
Six years	5.1%	7.0%	6.4%	5.8%	5.7%	6.3%	5.7%	4.4%	6.1%	5.9%
Seven years	5.3%	4.4%	5.8%	4.8%	6.2%	5.1%	4.9%	4.8%	5.4%	5.3%
Eight years	4.4%	3.5%	5.9%	5.2%	5.0%	5.2%	4.4%	5.4%	5.1%	5.0%
Nine years	4.4%	3.5%	4.0%	4.5%	4.3%	4.4%	3.5%	4.8%	3.8%	4.0%
Ten years	3.4%	2.6%	4.0%	4.3%	3.2%	3.5%	3.2%	5.1%	3.9%	3.7%
Total Six to Ten Years	22.6%	21.0%	26.1%	24.6%	24.4%	24.5%	21.7%	24.5%	24.3%	23.9%
Over Ten years	43.0%	46.5%	37.3%	35.0%	27.2%	34.8%	26.5%	39.7%	30.2%	31.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

p = preliminary

Required Reading

Dun & Bradstreet's statistical series on business failures was revised in 1984 by adding the following industry sectors to the failure coverage: agriculture, forestry and fishing; finance, insurance and real estate; and the services sector in its entirety. All industries in the U.S. are now represented in Dun & Bradstreet's business failure coverage. Data prior to 1984 are not directly comparable to the current series. The 1997 data are subject to minor revisions due to amended court filings. Many of the tables in this report are available on a monthly and quarterly basis.

The industry data contained in the *Business Failure Record* beginning with the 1988-1989 edition are based on the 1987 Standard Industrial Classifications (SIC), as published by the Executive Office of the President—Office of Management and Budget. Prior Failure Records were based on the 1972 SIC codes; hence, some of the industry data may not be directly comparable.

Every year thousands of firms are started, many either fail or discontinue, and others transfer ownership or control. Each business day, over 700,000 changes are made to the Dun & Bradstreet database of over 11 million businesses at our National Business Information Center. New businesses are added and closed, businesses are deleted, name styles altered, and financial information revised. This is all evidence of the dynamic change and turnover constantly taking place in the business population.

Definitions

Dun & Bradstreet's business failure statistics include businesses that ceased operations following assignment or bankruptcy; ceased operations with losses to creditors after such actions as foreclosure or attachment; voluntarily withdrew leaving unpaid debts; were involved in court actions such as receivership, reorganization or arrangement; or voluntarily compromised with creditors.

Business Failures vs. Business Discontinuances: Business failures do not represent total business closings, which consist of both business failures and business discontinuances. As defined in Dun & Bradstreet's statistics, business failures consist of businesses involved in court proceedings or voluntary actions involving losses to creditors. In contrast, businesses that discontinue operations for reasons such as loss of capital, inadequate profits, ill health, retirement, etc., are not recorded as failures by Dun & Bradstreet if creditors are paid in full. Although they represent only a percentage of total closings, failures have the most severe impact upon the economy.

Liabilities as defined by Dun & Bradstreet refer to liabilities at time of failure. They include all accounts and notes payable and all obligations, whether in secured form or not, known to be held by banks, officers, affiliated companies, supplying companies or the government. Long-term, publicly held obligations are not included and offsetting assets are not taken into account.

Total Listed Concerns represent the total number of business enterprises included in the Dun & Bradstreet U.S. database in each 4-digit Standard Industrial Classification code at the national, state and county level.

Economic Indicators from Dun & Bradstreet

Accurate information addresses one of the most basic business needs of all—the need to reduce uncertainty and risk of the business strategy focused on the future.

To help meet this need, Dun & Bradstreet draws on its database of more than 11 million U.S. firms to provide information on trends in business failures and business starts. These data identify regional, industry, and national trends. Analysis of recent patterns concerning numbers of business failures and related liabilities as well as data about new business starts and related employment trends enable users to characterize regional patterns of both economic weakness and strength.

New incorporations, another measure of the trend in new business formation, is a widely used key indicator of the levels of entrepreneurial business activity.

D&B's quarterly surveys of business expectations provide timely measures of worldwide business optimism.

D&B's monthly construction survey provides timely data on both current and anticipated conditions. The monthly manufacturing survey is geared toward plant managers' recent past performance and future outlook.

To receive any of the listed publications, please contact :

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Weekly Publications

Weekly Business Failures

Provides the number of weekly failures, the year-to-date total, failures by liability size class and changes from previous periods. Includes a 13-week moving average of failures, plus comment and analysis. \$45.00 per year.

Weekly Business Starts

Provides the number of weekly starts (businesses newly added to the D&B files with reported birth dates in the current year, or one or two years prior). Also provides changes from previous periods, the year-to-date total, and a 52-week moving average. \$45.00 per year.

Monthly Publications

Monthly Business Failures

Number of failures and liabilities in over 100 lines of business. Data are broken down by liability size class, major industry group, state and region, and by selected cities. \$30.00 per year.

Monthly Business Starts

Number of starts and total employees in over 100 lines of business. Data are broken down by class of employment size, major industry group, state and region, and by selected cities. \$30.00 per year.

New Business Incorporations

Provides the number of new incorporations in each of the 50 states, including comparisons to previous periods and commentary. \$25.00 per year.

Construction Survey

A nationwide survey of 200 construction firms regarding their current conditions, and expectations for the coming three months, for order books, employment and prices. \$30.00 per year.

Manufacturing Survey

A nationwide survey of 1,000 manufacturing firms regarding their production, new orders, unfilled orders, exports and finished goods inventories for the past three months, the coming three months and the coming 12 months. \$30.00 per year.

Quarterly Publications

Quarterly Business Failures

Number of failures and liabilities by detailed lines of business. Includes data for all 2-digit, 3-digit and most 4-digit SIC codes. \$40.00 per year.

Quarterly Business Starts

Number of starts and total employees by detailed lines of business. Includes data for all 2-digit, 3-digit and most 4-digit SIC codes. \$40.00 per year.

U.S. Survey of Business Expectations

A nationwide survey of 3,000 business executives regarding their expectations for sales, profits, prices, inventories, employment, exports and new orders in the coming quarter. \$40.00 per year.

International Survey of Business Expectations

An international survey of business executives worldwide, regarding their expectations for sales, profits, prices, inventories, and employment in the coming quarter. \$40.00 per year.

Mailed Free of Charge Upon Request

Business Failure Record

Number of failures and liabilities by state and region, by major industry group and by age of business. Includes historical failures data. Published annually.

Business Starts Record

Number of starts and total employees by state and region and by major industry group. Includes city data, graphs and industry trends by state. Published annually.

A Decade of Business Starts

Historical data on the number of business starts and total employees from 1985 to 1996. Data are broken down by state and region, major industry groups and by selected cities.

The Business Failure Record

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